

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Wallace Bill Moore, of Santa Rosa, has been a member of the Diversion Evaluation Committee (the “Committee”) of the Board of Dental Examiners (the “Board”) since he assumed office on February 1, 2000. As a Committee member, Respondent is a designated employee of the Board, as defined in section 82019, subdivision (c) of the Political Reform Act (the “Act”),<sup>1</sup> and in the Board’s conflict of interest code.

As required by the Act and the Board’s conflict of interest code, each designated employee of the Committee is required to file an assuming office statement of economic interests (an “SEI”) within 30 days of assuming office, disclosing his or her reportable investments, interests in real property held, and income received during the twelve months preceding the date of assuming office. Furthermore, as required by the Act and the Board’s conflict of interest code, each designated employee of the Committee is required to file an annual SEI by April 1<sup>st</sup> of each year,<sup>2</sup> disclosing his or her reportable investments, business positions, interests in real property, and income received during the twelve months of the preceding calendar year.

In this matter, Respondent failed to timely file an assuming office SEI by the March 1, 2000 due date. Furthermore, Respondent failed to file two annual SEIs by their respective April 1<sup>st</sup> due dates.

For the purposes of this stipulation, Respondent’s violations are stated as follows:

- COUNT 1:** As a designated employee of the Board of Dental Examiners, Respondent Wallace Bill Moore failed to timely file an assuming office statement of economic interests by March 1, 2000, in violation of section 87300 of the Government Code.
- COUNT 2:** As a designated employee of the Board of Dental Examiners, Respondent Wallace Bill Moore failed to timely file a 2000 annual statement of economic interests by April 2, 2001, in violation of section 87300 of the Government Code.
- COUNT 3:** As a designated employee of the Board of Dental Examiners, Respondent Wallace Bill Moore failed to timely file a 2001 annual statement of economic interests by April 1, 2002, in violation of

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> Regulation 18116 states that the filing deadline is extended to the next regular business day whenever April 1<sup>st</sup> falls on a Saturday, Sunday, or official holiday.

section 87300 of the Government Code.

### **SUMMARY OF THE LAW**

An express purpose of the Act, as set forth in section 81002, subdivision (c), is to ensure that the assets and income of public officials, which may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided.

In furtherance of this purpose, section 87300 requires every agency to adopt and promulgate a conflict of interest code. Under section 87302, subdivision (a), an agency's conflict of interest code must specifically designate the employees of the agency who are required to file SEIs, disclosing their reportable investments, business positions, interests in real property, and income. Section 82019, subdivision (c), and section 87302, subdivision (a), further provide that the individuals who are to be designated in an agency's conflict of interest code are the officers, employees, members, and consultants of the agency, whose position with the agency entails making, or participating in making, governmental decisions that may have a reasonably foreseeable material effect on one or more of the individual's economic interests.

Under section 87302, subdivision (b), an agency's conflict of interest code must require every new designated employee to file an assuming office SEI within 30 days of assuming office. This subdivision also provides that an agency's conflict of interest code must require every designated employee of the agency to file an annual SEI, for each year that the employee remains in office, at a time specified in the agency's conflict of interest code, disclosing his or her reportable economic interests during the preceding calendar year.

Under section 87300, the requirements of an agency's conflict of interest code have the force of law, and any violation of those requirements is deemed a violation of the Act.

### **SUMMARY OF THE FACTS**

Respondent Wallace Bill Moore has been a member of the Committee since he assumed office on February 1, 2000. As a committee member, Respondent is a designated employee of the Board, as defined in section 82019, and in the Board's conflict of interest code.

#### **COUNT 1**

#### **Failure to Timely File an Assuming Office Statement of Economic Interests**

The Board's conflict of interest code requires a designated employee to file an assuming office SEI within thirty (30) days of assuming office. Respondent was therefore required to file an assuming office SEI by March 1, 2000, but he failed to do so. By failing to file an assuming office SEI by March 1, 2000, Respondent violated section 87300.

#### **COUNTS 2 - 3**

## **Failure to Timely File a 2000 and 2001 Statement of Economic Interests**

The Board's conflict of interest code requires a designated employee to file an annual SEI no later than April 1<sup>st</sup>, for each year that he or she serves as a designated employee of the Board. If April 1<sup>st</sup> falls on a Saturday, Sunday, or official holiday, the filing deadline is extended to the next regular business day.

Respondent was required to file his 2000 annual SEI by April 2, 2001, but he failed to do so. Respondent was also required to file his 2001 annual SEI by April 1, 2002, and again, he failed to do so.

By failing to file a 2000 and 2001 annual SEI by April 2, 2001 and April 1, 2002, respectively, Respondent committed two violations of section 87300.

On August 1, 2001, Emily Bowden, a Staff Services Analyst with the Technical Assistance Division of the Fair Political Practices Commission (the "FPPC"), sent a letter to Respondent informing him that his assuming office and 2000 annual SEIs were past due. Despite this reminder, Respondent failed to file the two statements. Ms. Bowden therefore sent another letter to Respondent on September 18, 2001, advising him to file his assuming office and 2000 annual SEIs immediately. Again, Respondent failed to file the statements. Ms. Bowden thereafter sent a third and fourth letter to Respondent on November 20, 2001 and January 7, 2002, urging him to file his overdue assuming office and 2000 annual SEIs, but Respondent again failed to do so. When the statements still were not filed, the Technical Assistance Division referred the matter of Respondent's delinquent filings to the Enforcement Division of the FPPC.

On July 17, 2002, Staff Services Analyst Bowden sent a letter to Respondent informing him that his 2001 annual SEI was past due. Despite this reminder, Respondent failed to file the statement. Ms. Bowden therefore sent another letter to Respondent on August 22, 2002, advising him to file a 2001 annual SEI immediately. Again, Respondent failed to file the statement. Ms. Bowden thereafter sent a third and fourth letter to Respondent on September 25, 2002 and October 29, 2002, urging him to file his overdue 2001 annual SEI, but Respondent again failed to do so. When the statement still was not filed, the Technical Assistance Division referred the matter of Respondent's additional delinquent 2001 filing to the Enforcement Division.

On May 7, 2003, Enforcement Division Investigator Dan Schek telephoned Respondent and left a voicemail informing him of his three outstanding SEI's and the need to file them immediately. Despite this telephone call, Respondent failed to file the delinquent SEIs.

Respondent Moore filed his delinquent SEIs on October 12, 2004 after being contacted by Enforcement Division Senior Commission Counsel Melodee Mathay, as a condition of settlement of this matter. Respondent disclosed that there were no reportable interests on his

SEI's. The filings occurred after probable cause proceedings against Respondent had been completed and an accusation had been issued.

## CONCLUSION

This matter consists of three counts, which carry a maximum possible administrative penalty of Twelve Thousand Dollars (\$12,000).<sup>3</sup>

Due to Respondent's history of failing to timely file his SEI's, this matter was handled outside of the SEI Expedited Procedures adopted by the Commission in July 1999 and as revised in June 2004.

The typical stipulated administrative penalty for failing to file a statement of economic interests resolved outside of the SEI Expedited Procedures, has historically ranged from \$1,000 to \$2,000 per statement. In this case, Respondent did not file his assuming office SEI, his 2000 annual SEI, or his 2001 annual SEI until after being contacted numerous times by the Technical Assistance Division and the Enforcement Division of the FPPC. However, Respondent filed the SEI's immediately after being contacted by Enforcement counsel and was cooperative in reaching a swift resolution of this matter. Therefore, imposition of a penalty in the lower end of the aggravated penalty range per violation is appropriate.

The facts of this case therefore justify imposition of the agreed upon penalty of Three Thousand Dollars (\$3,000).

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<sup>3</sup> Prior to January 1, 2001, Government Code section 83116 provided that violations of the Political Reform Act were punishable by an administrative penalty of up to \$2,000. Proposition 34, approved by voters in November 2000, repealed those penalties and added the new section 83116, which provides that violations committed on or following January 1, 2001 are punishable by administrative penalties of up to \$5,000 per violation. Because the violation in Count 1 was committed prior to January 1, 2001, the maximum penalty applicable to that violation is \$2,000. The violations in Counts 2 and 3, having been committed after January 1, 2001, carry a maximum penalty of \$5,000 per violation.